

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Mr. Michael H. Muhammad

610 N. Keith Street

Timmonsville, South Carolina 29161.

SCDOI File Number 2003-116586

**Default Order Revoking
Resident Insurance Agent's
License**

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within S.C. Code Ann. § 38-3-170 (2002), by the State of South Carolina Department of Insurance upon Michael H. Muhammad, a licensed South Carolina resident insurance agent, by both certified mail, return receipt requested, and by regular mail on February 11, 2003.

That letter informed Michael Muhammad of his right to request a public hearing upon the allegations of impropriety contained within the letter against him. The letter further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident insurance agent within the State of South Carolina. Despite that warning, as of March 11, 2003, Mr. Muhammad had neither timely answered nor requested a public hearing. On that day, therefore, counsel for the Department filed an Affidavit of Default, and the entire matter was submitted directly to me for my summary decision based solely on the record.

The letter alleged, and I now find as fact, that while licensed to do business as a resident insurance agent within the State of South Carolina for Palmetto Auto Insurance Agency, Michael Muhammad failed to file a claim with Hanover Excess and Surplus, Inc., on behalf of customer Kristina Smith and also failed to notify said customer of the imminent renewal of her mobile-home owner's policy and therefore, of the consequent notice of cancellation.

S.C. Code Ann. § 38-43-130 (2002) provides "the Director or his designee may revoke or suspend an agent's license after ten day's notice...when it appears that an agent...has willfully deceived or dealt unjustly with the citizens of this State."

In accordance with my findings of fact, and considering Michael H. Muhammad's complete refusal to avail himself of his opportunity to be heard, I now conclude, as a matter of law, that Mr. Muhammad willfully deceived and dealt unjustly with the citizens of South Carolina, thereby violating S.C. Code Ann. § 38-43-130 (2002) and that his resident insurance agent's license should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and 2002). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report." S.C. Code Ann. § 38-3-110 (4) (2002).

It is therefore ordered that Michael Muhammad's license to transact business as a resident insurance agent within the State of South Carolina be, and is hereby, revoked, and that no license, issued through the State of South Carolina Department of Insurance is to be issued to him.

It is further ordered that a copy of this order shall be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which Michael Muhammad is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance agent within the State of South Carolina.

This order becomes effective as of the date of my signature below.

A handwritten signature in black ink, appearing to read "E.N. Csiszar", with a long horizontal flourish extending to the right.

Ernst N. Csiszar
Director

11 March 2003, at
Columbia, South Carolina

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Affidavit of Default

Personally appeared before me T. Douglas Concannon, who, being duly sworn, stated that at all times relevant to this Affidavit of Default he was the attorney representing the State of South Carolina Department of Insurance (the Department) in this administrative action. He further stated the following:

The Department served notice on Michael H. Muhammad at the address detailed above by a Letter of Allegation and Notice of Opportunity for a Public Hearing that the Department would request the Director of Insurance to summarily revoke his license to act as a resident insurance agent within the State of South Carolina in thirty days. The Department served the Notice, pursuant to § 38-3-170 of the South Carolina Code, by "depositing it in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested." The Notice further informed Mr. Muhammad of his opportunity, within thirty days, to request in writing a public hearing.

The Department mailed the Notice by certified mail, return receipt requested, and by regular mail, on or about February 11, 2003. The United States Postal Service notified Mr. Muhammad of the certified letter on February 12, 19 and 27, 2003. See "Exhibit A" attached. The United States Post Office at Timmonssville, SC then returned the certified letter to the Department, having marked it as "Unclaimed." The Notice sent via regular mail was not returned.

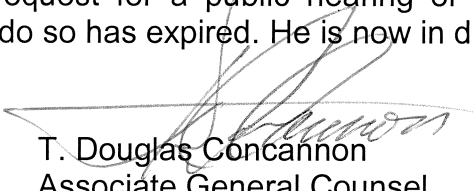
Michael Muhammad has made no request for a public hearing or any other response to the Notice. The time in which to do so has expired. He is now in default.

Sworn to and subscribed before me
this 11th day of March, 2003.



Steven R. DuBois

Notary Public for the State of South Carolina - My Commission Expires: May 10, 2009



T. Douglas Concannon
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